



5000 Diamondhead Circle • Diamondhead, MS 39525-3260  
Phone: 228.222.4626 Fax: 228.222.4390  
[www.diamondhead.ms.gov](http://www.diamondhead.ms.gov)

September 29, 2016

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:

Re: Lease Purchase Financing

Quotes to secure lease purchase financing will be received by 10:00 a.m. on Monday, October 3, 2016. The financing will be an amount not to exceed \$500,000 to purchase equipment for the Public Works Department. As soon as the quotes are assessed, a recommendation will be forthcoming.

Sincerely,

A handwritten signature in black ink, appearing to read "Clovis Reed". The signature is written in a cursive style with a large, sweeping "C" and "R".

Clovis Reed

City Manager  
CR:jk

Agenda Item  
2017-008

### **Municipal Compliance Questionnaire**

As part of the municipality's audit, the governing authorities of the municipality must make certain assertions with regard to legal compliance. The municipal compliance questionnaire was developed for this purpose.

The following questionnaire and related certification must be completed at the end of the municipality's fiscal year and entered into the official minutes of the governing authorities at their next regular meeting.

The governing authorities should take care to answer these questions accurately. Incorrect answers could reduce the auditor's reliance on the questionnaire responses, resulting in the need to perform additional audit procedures at added cost.

#### **Information**

*Note: Due to the size of some municipalities, some of the questions may not be applicable. If so, mark N/A in answer blanks. Answers to other questions may require more than "yes" or "no," and, as a result, more information on this questionnaire may be required and/or separate work papers may be needed.*

1. Name and address of municipality:

City of Diamondhead 5000 Diamondhead Circle Diamondhead, MS 39525

2. List the date and population of the latest official U.S. Census or most recent official census:  
2010 Census - 8425 population

3. Names, addresses and telephone numbers of officials (include elected officials, chief administrative officer, and attorney).

See attached

4. Period of time covered by this questionnaire:

From: October 1, 2015 To: September 30, 2016

5. Expiration date of current elected officials' term: June 30, 2017

**MUNICIPAL COMPLIANCE QUESTIONNAIRE**  
**Year Ended September 30, 20\_\_**

Answer All Questions: Y - YES, N - NO, N/A - NOT APPLICABLE

**PART I - General**

1. Have all ordinances been entered into the ordinance book and included in the minutes? (MCA § 21-13-13) Y
2. Do all municipal vehicles have public license plates and proper markings? (MCA § 25-1-87 and 27-19-27) Y
3. Are municipal records open to the public? (MCA § 25-61-5) Y
4. Are meetings of the board open to the public? (MCA § 25-41-5) Y
5. Are notices of special or recess meetings posted? (MCA § 25-41-13) Y
6. Are all required personnel covered by appropriate surety bonds?
  - Board or council members (MCA § 21-17-5) Y
  - Appointed officers and those handling money, see statutes governing the form of government (i.e., MCA § 21-3-5 for Code Charter) Y
  - Municipal clerk (MCA § 21-15-38) Y
  - Deputy clerk (MCA § 21-15-23) Y
  - Chief of police (MCA § 21-21-1) Y
  - Deputy police (MCA § 45-5-9) (if hired under this law) N/A
7. Are minutes of board meetings prepared to properly reflect the actions of the board? (MCA § 21-15-17 and 21-15-19) Y
8. Are minutes of board meetings signed by the mayor or majority of the board within 30 days of the meeting? (MCA § 21-15-33) Y
9. Has the municipality complied with the nepotism law in its employment practices? (MCA § 25-1-53) Y
10. Did all officers, employees of the municipality, or their relatives avoid any personal interest in any contracts with the municipality during their term or within one year after their terms of office or employment? (MCA § 25-4-105) Y
11. Does the municipality contract with a Certified Public Accountant or an auditor approved by the State Auditor for its annual audit within twelve months of the end of each fiscal year? (MCA § 21-35-31) Y

12. Has the municipality published a synopsis or notice of the annual audit within 30 days of acceptance?  
(MCA § 21-35-31 or 21-17-19)

Y

**PART II - Cash and Related Records**

1. Where required, is a claims docket maintained?  
(MCA § 21-39-7)

Y

2. Are all claims paid in the order of their entry in the claims docket? (MCA § 21-39-9)

Y

3. Does the claims docket identify the claimant, claim number, amount and fund from which each warrant will be issued? (MCA § 21-39-7)

Y

4. Are all warrants approved by the board, signed by the mayor or majority of the board, attested to by the clerk, and bearing the municipal seal? (MCA § 21-39-13)

Y

5. Are warrants for approved claims held until sufficient cash is available in the fund from which it is drawn?  
(MCA § 21-39-13)

Y

6. Has the municipality adopted and entered on its minutes a budget in the format prescribed by the Office of the State Auditor? (MCA § 21-35-5, 21-35-7 and 21-35-9)

Y

7. Does the municipality operate on a cash basis budget, except for expenditures paid within 30 days of fiscal year end or for construction in progress? (MCA § 21-35-23)

Y

8. Has the municipality held a public hearing and published its adopted budget? (MCA § 21-35-5, 27-39-203, & 27-39-205)

Y

9. Has the municipality complied with legal publication requirements when budgetary changes of 10% or more are made to a department's budget? (MCA § 21-35-25)

Y

10. If revenues are less than estimated and a deficit is anticipated, did the board revise the budget by its regular July meeting? (MCA § 21-35-25)

N/A

11. Have financial records been maintained in accordance with the chart of accounts prescribed by the State Auditor? (MCA § 21-35-11) Y
12. Does the municipal clerk submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget item? (MCA § 21-35-13) Y
13. Does the board avoid approving claims and the city clerk not issue any warrants which would be in excess of budgeted amounts, except for court-ordered or emergency expenditures? (MCA § 21-35-17) Y
14. Has the municipality commissioned municipal depositories? (MCA § 27-105-353 and 27-105-363) Y
15. Have investments of funds been restricted to those instruments authorized by law? (MCA § 21-33-323) Y
16. Are donations restricted to those specifically authorized by law? [MCA § 21-17-5 (Section 66, Miss. Constitution) -- MCA § 21-19-45 through 21-19-59, etc.] Y
17. Are fixed assets properly tagged and accounted for? (Property Accounting System Chapter) Y
18. Is all travel authorized in advance and reimbursements made in accordance with MCA § 25-3-41? Y
19. Are all travel advances made in accordance with the State Auditor's regulations? (MCA § 25-3-41) Y

### **PART III - Purchasing and Receiving**

1. Are bids solicited for purchases, when required by law (written bids and advertising)? [MCA § 31-7-13(b) and (c)] Y
2. Are all lowest and best bid decisions properly documented? [MCA § 31-7-13(d)] Y
3. Are all one-source item and emergency purchases documented on the board's minutes? [MCA § 31-7-13(m) and (k)] Y
4. Do all officers and employees understand and refrain from accepting gifts or kickbacks from suppliers? (MCA § 31-7-23) Y

#### **PART IV - Bonds and Other Debt**

1. Has the municipality complied with the percentage of taxable property limitation on bonds and other debt issued during the year? (MCA § 21-33-303)
2. Has the municipality levied and collected taxes, in a sufficient amount for the retirement of general obligation debt principal and interest? (MCA § 21-33-87)
3. Have the required trust funds been established for utility revenue bonds? (MCA § 21-27-65)
4. Have expenditures of bond proceeds been strictly limited to the purposes for which the bonds were issued? (MCA § 21-33-317)
5. Has the municipality refrained from borrowing, except where it had specific authority? (MCA § 21-17-5)

✓

✓

N/A

N/A

Y

#### **PART V - Taxes and Other Receipts**

1. Has the municipality adopted the county ad valorem tax rolls? (MCA § 27-35-167)
2. Are interest and penalties being collected on delinquent ad valorem taxes? (MCA § 21-33-53)
3. Has the municipality conducted an annual land sale for delinquent ad valorem taxes? (MCA § 21-33-63)
4. Have the various ad valorem tax collections been deposited into the appropriate funds? (Separate Funds for Each Tax Levy) (MCA § 21-33-53)
5. Has the increase in ad valorem taxes, if any, been limited to amounts allowed by law? (MCA § 27-39-320 and 27-39-321)
6. Are local privilege taxes collected from all businesses located within the municipality, except those exempted? (MCA § 27-17-5)
7. Are transient vendor taxes collected from all transient vendors within the municipality, except those exempted? (MCA § 75-85-1)
8. Is money received from the state's "Municipal Fire Protection Fund" spent only to improve municipal fire departments? (MCA § 83-1-37)
9. Has the municipality levied or appropriated not less than 1/4

Y

Y

Y

Y

Y

Y

Y

N/A

mill for fire protection and certified to the county it provides its own fire protection or allowed the county to levy such tax? (MCA § 83-1-37 and 83-1-39)

N/A

10. Are state-imposed court assessments collected and settled monthly? (MCA § 99-19-73, 83-39-31, etc.)

Y

11. Are all fines and forfeitures collected when due and settled immediately to the municipal treasury? (MCA § 21-15-21)

Y

12. Are bids solicited by advertisement or, under special circumstances, three appraisals obtained when real property is sold? (MCA § 21-17-1)

Y

13. Has the municipality determined the full and complete cost for solid waste for the previous fiscal year? (MCA § 17-17-347)

Y

14. Has the municipality published an itemized report of all revenues, costs and expenses incurred by the municipality during the immediately preceding fiscal year in operating the garbage or rubbish collection or disposal system? (MCA § 17-17-348)

Y

15. Has the municipality conducted an annual inventory of its assets in accordance with guidelines established by the Office of the State Auditor? (MMAAG)

Y

**Certification to Municipal Compliance Questionnaire**

**Year Ended September 30, 20\_\_**

We have reviewed all questions and responses as contained in this Municipal Compliance Questionnaire for the Municipality of \_\_\_\_\_, and, to the best of our knowledge and belief, all responses are accurate.

\_\_\_\_\_  
(City Clerk Signature)

\_\_\_\_\_  
(Mayor Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

Minute Book References:

Book Number \_\_\_\_\_

Page \_\_\_\_\_

*(Clerk is to enter minute book references when questionnaire is accepted by board.)*

*Agenda Item 2017-009*



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September 29, 2016

Mayor and Council  
City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Re: FY17 Public Works Department Salary Increases

Dear Councilmembers:

Attached for your approval and recommendation is a proposed FY17 salary increase for additional Public Works employees. After reviewing the budget and salaries, the Public Works Director and I recommend this raise for equity.

Thank you for your favorable consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Clovis Reed". The signature is written in a cursive, flowing style.

Clovis Reed  
City Manager

CR:jk